GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1225
ANSWERED ON:02.03.2001
. SEBI CONTROL ON CAPITAL MARKETS
RAMJI MANJHI

Will the Minister of FINANCE be pleased to state:

(a) whether SEBI has failed to make the capital markets a safer place for investors and the same have become dens of gambling;

(b) If so, whether the attention of the Government has been drawn to the news item captioned `Disclosure: SEBI`s shady secrets` appearing in the `Indian ExpressÂ´ dated August 26, 2000; and

(c) if so, the action the Government propose to take to make the capital markets a safer place for small investors in particular and other in general?

Answer

MINISTRY OF STATE IN THE MINISTRY OF FINANCE (BALASAHEB VIKHE PATIL)

(a) : No, Sir.

(b) : Government has taken note of the news item under reference.

(c) : The Government and the market regulator, the Securities and Exchange Board of India (SEBI) arecommitted to promoting investors` awareness of the risk-return trade off associated with various capital market instruments and protecting the interests of investors. In this context, the relevant legislation is constantly reviewed. Over the years, SEBI has taken various measures such as introduction of disclosure norms, tightening of entry norms for initial public offerings, introduction of book building mechanism for issue of securities, enforcing of lock-in provisions etc. with a view to enhancing the safety, integrity and transparency of the securities market.